

Neil S. Ende, Esq.
nende@tlgdc.com
Technology Law Group, LLC
5335 Wisconsin Avenue, NW
Suite 440
Washington, DC 20015
Telephone: (202) 895-1707
Facsimile: (202) 478-5074
Attorneys for Michael D. Lansky, LLC
dba Avid Telecom
Michael D. Lansky and Stacey S. Reeves

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA**

State of Arizona, ex rel. Kristin K. Mayes,)	
Attorney General; et al.,)	
)	NO. 4:23-cv-00233-CKJ
Plaintiffs,)	
)	
v.)	
)	
Michael D. Lansky, L.L.C.,)	
dba Avid Telecom et al.,)	
)	
Defendants.)	

**Notice of Failure to File Amendment and Request to Dismiss
Alter Ego Claim of Individual Liability Against Michael Lansky**

Defendant Michael Lansky, through his undersigned counsel, hereby respectfully requests that the Court issue an order dismissing Plaintiffs' alter ego claim of individual liability against Defendant Lansky. For the reasons set forth herein, good cause exists for the requested dismissal.

In its Order of May 8 (Dkt. 64), the Court concluded that the evidence presented by Plaintiffs in support of their alter ego claim is not sufficient to sustain that claim. Among the Court's supporting conclusions was that “. . . the amounts for the alleged improper personal purchases Defendant Lansky made by Defendant Michael D. Lansky, L.L.C. are few and for relatively small amounts”; that the “amounts and purchases do not necessarily support the conclusory allegations that Defendant Lansky diverted corporate assets to fund substantial personal expenses that limited the corporation's abilities to satisfy remedial obligations” ; that “there is no evidence that these amounts were not reimbursed” and that these allegations alone “. . . do not suffice to pierce the corporate veil.” Order (Dkt. 64) at p. 19. In addition to the shortcomings in the facts actually alleged by Plaintiff, the Court concluded further that, “Plaintiffs have failed to allege specific facts to support the assertion that there is a unity of interest or ownership between Lansky and Michael D. Lansky L.L.C. or to show that Michael D. Lansky L.L.C. was created and/or used thereafter with an intent to defraud or commit illegal activities.” *Id.*

Given these conclusions, the Court would have been well within its rights to dismiss the alter ego count outright. Rather than do so, however, the Court offered Plaintiffs the opportunity to “. . . amend the Complaint to state this claim.” In the Ordering clauses of the Order, the Court gave Plaintiffs “. . .leave to file an amended Complaint to state an alter ego claim of individual liability against Defendant Lansky” “. . . within 14 days of the filing date of this Order.” Order (Dkt. 64) at p 34. The Order is dated on May 8, 2024, thereby allowing Plaintiffs to file any proposed amendment by no later than May 22, 2024.

It is now the end of the day, May 23, 2024. Our review of the Docket reveals that no amendment has been filed. As such, Plaintiffs have offered the Court no further factual basis to sustain their alter ego count.

Accordingly, for the reasons set forth in the Court's Order (Dkt. 64), Defendant Lansky respectfully requests that the Court follow-through on its conclusion that Plaintiffs had failed to present facts sufficient to support their alter ego claim for personal liability and, for that reason, the alter ego be dismissed with prejudice.

Respectfully submitted,

/s/ Neil S. Ende

Neil S. Ende

Counsel to Michael D. Lansky, LLC

dba Avid Telecom

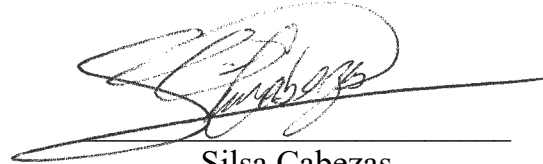
Michael D. Lansky and Stacey S. Reeves

Dated: May 23, 2024

Technology Law Group, LLC
5335 Wisconsin Avenue, NW
Suite 440
Washington, DC 20015
nende@tlgdc.com
Telephone: (202) 895-1707
Facsimile: (202) 478-5074

CERTIFICATE OF SERVICE

I hereby certify that on the 23rd day of May 2024, I electronically transmitted the attached document to the Clerk's Office using the CM/ECF System for filing and for transmittal of a Notice of Electronic Filing to all CM/ECF registrants.

A handwritten signature in black ink, appearing to read 'Silsa Cabezas', is written over a horizontal line.

Silsa Cabezas

**UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA**

State of Arizona, ex rel. Kristin K. Mayes
Attorney General et al.

Plaintiffs

v.

Case No. 4:23-cv-00233-CKJ

Michael D. Lansky, LLC, dba
Avid Telecom, an Arizona
Limited Liability Company;

Michel D. Lansky, individually
As a Member/Manager/Chief
Executive Officer of Michael D.
Lansky, LLC dba Avid Telecom;
and

Stacey S. Reeves, individually as
a Manager/Vice President of
Michael D. Lansky LLC dba
Avid Telecom

Defendants.

[PROPOSED] ORDER

Having considered the Notice of Failure to File Amendment and Request to Dismiss Alter Ego Claim of Individual Liability against Michael Lansky, and any permitted responsive pleadings, for good cause shown, Plaintiffs' alter ego claim of individual liability against Michael Lansky is hereby dismissed with prejudice.

Dated: _____